# Mobilizing the Region

*A Weekly Bulletin from the Tri-State Transportation Campaign*

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## NEWS

### The MTA's Looming Financial Crisis

Mayor Bloomberg's proposal to test congestion pricing has perhaps **overshadowed** a huge transportation story that should also be commanding headlines and the attention of policy-makers this year: huge and growing deficits in the Metropolitan Transportation Authority's operating budget.

Without new revenues from fare and toll increases and additional state aid, the transit umbrella agency projects an $800 million deficit in 2008, **growing to nearly $1.8 billion** in 2010, due largely to ballooning debt service payments for capital programs.

An analysis by the NYC Independent Budget Office (IBO) released yesterday finds that base subway and bus fares would have to rise 20% from its current level of $2.00 to $2.40 by 2010 — even if other sources of revenue grow at a similar rate, such as 20% higher yields from dedicated taxes, state subsidies and car tolls. A 30-day MetroCard would rise from $76 to $92.

The analysis is timely, since **media reports** several weeks ago on the high yields the MTA continues to see from real estate taxes **questioned the need** for a 2008 revenue increase, without digging into the sources of projected deficits for 2008 and future years. The MTA expects the real estate market to soften at some point, but obviously cannot be certain as to when and to what degree.

With no increase in state tax revenue directed to MTA operations, fares would have **to rise 48% by 2010** over 2007 prices to meet the big deficits. In such a "fare hike only" scenario, the IBO said "the cash fare would rise to almost $3, and the cost of a 30-day MetroCard would rise to $112."

Straphangers Campaign leader Gene Russianoff **called on Governor Spitzer** to address the problem, and to help win approval of Bloomberg's congestion pricing plan, which would fund transit.

The IBO also laid out a series of revenue options for closing the MTA budget gap, including fare and bridge toll hikes, increases in the portion of the downstate sales tax and real estate taxes devoted to the MTA and a rise in general state aid for mass transit. To obtain the IBO's full analysis, visit **www.ibo.nyc.ny.us**. ❖

### Confronting the NYC Park-and-Ride Concern

Recent discussions of Mayor Bloomberg's congestion pricing proposal with local officials all across town seem focused less on the urban legend of "working masses who must drive to Manhattan" and increasingly on concern over the "**flood of parking seekers** around the edge of pricing zone." The fear is that motorists who used to commute into the core of Manhattan will avoid the $8 charge by parking in Brooklyn Heights, Williamsburg, Long Island City and the Upper East and West Sides, switching to transit there and adding to local traffic, parking and quality of life woes.

How likely is a significant "border effect?" Is it simply the next refuge of status-quo advocates, or a problem the city should prepare to head off?

The best answer is that it is impossible to predict or disprove the occurrence of future events, which is why the mayor has proposed congestion pricing as a **three year pilot program**. The before-and-after studies of the pilot would yield a wealth of information on the travel changes that congestion pricing would cause that no amount of sophisticated computer models, assertions by officials or neighborhood anecdotes can ever match. The plan says that if particular trouble spots emerge, then measures such as parking controls could be implemented.

As far as predictions go, PlaNYC's modeling effort (see PlaNYC transportation technical report) calculated via a variety of transportation data and price elasticity inputs that an $8 charge will discourage over 7% of vehicle trips in the priced zone (Manhattan below 86th Street, excluding the perimeter highways) — over 111,000 vehicles. It also finds that over 110,000 of these vehicle trips are also **avoided city-wide**, indicating that the overwhelming majority of these trips do not divert to other parts of NYC—they are made by another mode or foregone altogether. In concert with this finding, 94,000 people would be added to the city's transit ridership (including trips from the suburbs into the city). That is in keeping with Transportation Alternatives' 2006 "Necessity or Choice" report, which found that **90% of CBD-bound car commuters** live in areas where mass transit is the predominant method of commuting (see *MTR* #548, **www.transalt.org**).

This anticipated vehicle trip reduction should significantly improve, not worsen, traffic conditions around the edge of the zone, because of the way NYC's river crossings and Manhattan's corridor geography concentrates traffic as it nears the central business district.

It's worth noting that about 30% of the avoided car trips, according to PlaNYC, take place completely within the priced zone south of 86th Street. Certainly none of these diverted trips could contribute to a "border effect."

On the other hand, worry over such an effect is **not founded on any analysis, or on experience** in other cities that employ congestion pricing. It appears to entertain the idea that the $8 charge will create a **titanic shift** in travel behavior. Additionally, some seem to think that the motorists who are deterred will carry out their usual car commutes until they come close to the pricing boundary, and then suddenly divert to avoid paying. "There will be a **crush of cars circling around 86th Street** looking for parking spots that don't exist" East Side Councilwoman Jessica Lappin said at a recent hearing. "I envision idling, and more congestion, and more pollution in the air, because there aren't places for these cars to go."

This scenario is absurd, for a variety of reasons. First, the $8 fee is not that expensive within the region's universe of transportation options. Half of the drivers entering the Manhattan CBD today pay a toll in that ballpark, crossing the Hudson or at an MTA tunnel or bridge. Carpoolers who can split costs will not be deterred, since two in a car would not pay much more than the price of two round trip city transit fares (depending on MetroCard option). Some drivers will welcome the chance to pay for improved driving times within the priced zone.

Equally to the point, the time and convenience costs of finding a scarce or non-existent free parking space in dense areas outside the zone near a transit stop will not be worth it to most, who drive precisely because of the convenience. Changing to transit is much more likely near the beginning of diverted trips. Paying for parking outside the zone eliminates the cost advantage of not driving in.

**People are rational actors**. Councilmember Lappin's scenario does not give them any credit for planning ahead, absorbing information and making clear cost-benefit choices about the monetary, time and convenience implications of their travel choices. As residents of the city and the metropolitan region, we know otherwise. We all have travel choices and make those calculations every day. Mayor Bloomberg proposes a test that would shift the terms of those choices somewhat (not radically, as some have claimed). It deserves to be tried. ❖

## TSTC Reviews Projected ConnDOT Spending, 2007-2010

Last week, the Tri-State Transportation Campaign released its analysis of Connecticut's 2007 to 2010 transportation plan. The study revealed that the state will make highway expansion a priority in coming years. More than **60 percent** of the $2.3 billion in projected highway and bridge spending is dedicated to **widening and expansion projects** (see graph, next page). Massive projects such as the Q Bridge reconstruction, I-84 widening and US 7 expansion are expected to consume much of the state's transportation budget.

At the same time, Connecticut devotes a relatively high share of spending to mass transit projects. Almost 37 percent of the state's transportation capital budget is slated for mass transit projects. The influx of funds from the "Roadmap to Connecticut's Economic Future," a multi-billion dollar, 10-year transportation plan authored by Governor Rell and state legislative leaders has **helped boost transit's share of total funding** by more than one-third over the 2000-2002 plan.

*Reform: The Road Not Taken – A Review of Projected Transportation Spending in Connecticut, 2007-2010* is based on an exhaustive analysis of the 2007-2010 Statewide **Transportation Improvement Program** (STIP), and comparison to the 2000-2002 STIP. The full report is available at www.tstc.org. It recommends that the state could build on its rising attention to mass transit by reducing resources spent on highway expansion. Other states have acknowledged the futility of trying to build their way out of roadway congestion, and their investment practices have followed suit.

Connecticut's plan to dedicate the majority of highway and bridge funding to expansion projects represents a stark reversal from just a few years ago. The 2000-2002 Statewide Transportation Improvement Program allocated more than 70 percent of highway and bridge dollars to maintenance, with only 20 percent slated for highway expansion.

The state's emphasis on expansion does not bode well for the condition of Connecticut's roads and bridges. Connecticut's roads, already among the worst in the country, have not shown marked improvement in the last decade. The most recent federal data puts more than three-quarters of the state's road miles in **"less than good condition."** The federal government rates one-third of Connecticut's bridges as deficient, after a steady ten-year decline.

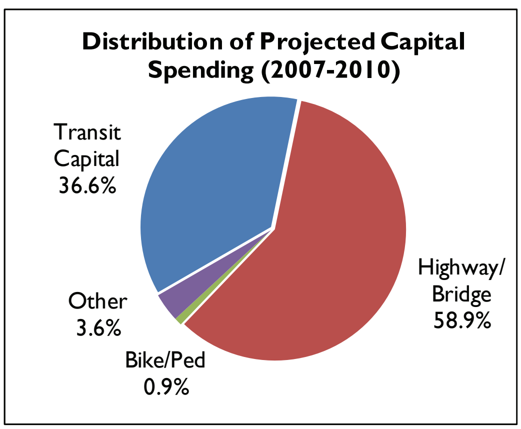
Connecticut also **lags the rest of the country** in **spending on bicycle and pedestrian projects**. The state devotes only $0.94 per person to bicycle and pedestrian projects, compared to $1.34 nationally and $7.31 in Rhode Island.

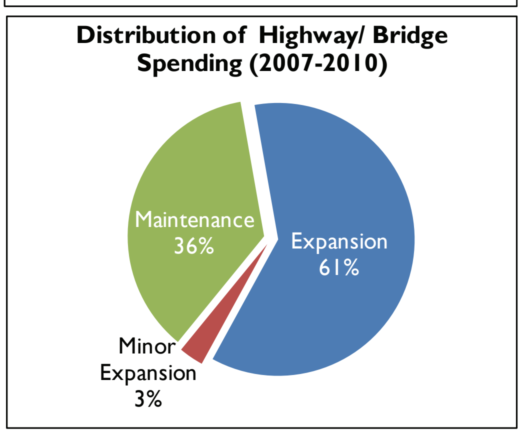
Governor Rell's recent call for "a more responsive, more responsible DOT and a DOT that will continue to broaden its focus beyond highways" is a step in the right direction. To propel ConnDOT into the 21st Century, the report urges the following changes:

• **Fix it first** — The state should review the cost-effectiveness of expanding highways to address roadway congestion, weigh the costs to government and the public of neglecting existing infrastructure and commit to exceeding national averages for state-wide road and bridge conditions. Downsizing or calling off road expansions that are destined to quickly re-fill with traffic could free up sizeable capital funding for more sustainable investments.

• Develop **more effective tools to manage congestion** — Consider sustainable congestion relief measures, including efficient land use planning and roadway pricing. Evaluate whether conventional highway expansion serves any long-term public purpose. Publicly declare when new highway capacity is expected to become fully utilized by new traffic. Include these issues centrally in the review of ConnDOT recently ordered by Governor Rell.

• Create a **much stronger bicycle and pedestrian program** — The state should take overdue advantage of flexible federal funding opportunities to diversify its mix of projects. It should consider incentive programs to promote municipal efforts on cycling and walking, such as a bike/pedestrian program within the Town Aid for Roads funding.

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## NJDOT Back to the Table on Route 206

It has been over a decade since the New Jersey Dept. of Transportation first suggested widening a one-mile stretch of Route 206 just north of the Route 80 interchange in **Byram Township**. The controversy has swung elections (*MTR* #382), spawned lawsuits (*MTR* #544) and prompted local leaders to criticize NJDOT (*MTR* #'s 374, 496, and 521). But now NJDOT is heading back to the drawing board, along with erstwhile critics, to kick off a **new process** with a June 11th charette-style meeting on a "context sensitive" redesign for the road.

The announcement followed a busy couple of months for the project. At the end of 2006 environmentalists, the township and Sussex County met with the DOT Commissioner Kris Kolluri and staff to discuss the project. Commissioner Kolluri pledged to work with the community to improve the project by adding pedestrian amenities, but stopped short of a promise to keep the roadway the same width. Still upset with the plan, the North Byram Concerned Citizens, Sierra Club, NJ Environmental Federation and other organizations filed a lawsuit soon after, contending that the project should not have been exempted from a review of the Highlands Act. Under Highlands Law, projects meant to promote safety can be exempt from environmental review. The groups correctly argued that improving safety was never a goal of the project, and thus the exemption should not hold.

In early 2007, Commissioner Kolluri wrote to the town with a series of improvements, meeting some of the town's objections, but still retained the additional lanes. Later the DOT and the groups agreed to a remand from the lawsuit, effectively ending the court case by revoking the exemption. The NJDOT is allowed to reapply for the exemption again, but would have begin a new approval process. But hopes are high that the June 11th charette will truly represent a fresh start. ❖

## U.S. Driving: Up or Down?

As gasoline prices nationwide top **$3.20 per gallon** (nearing the inflation-adjusted all-time high of March 1981), researchers and the media are wondering aloud if Americans are responding by **curbing driving**. And if $3.20 doesn't do it, what will it take to get Americans to alter driving habits?

In a May 17th article, *USA Today* reported that 70 percent of poll respondents said they had taken minor steps such as consolidating errands to cut back on driving because of rising gasoline prices. The same article cited Federal Highway Administration data showing an **18-month stagnation in miles driven** growth after 25 years of steady climbing.

But just days later, the *Washington Post* reported contradictory results: its poll found that only 11 percent were planning to curtail driving in response to gas prices. The *Post* also cited data from the U.S. Energy Information Administration showing a 2.6 percent increase in gas consumption over the same week in 2006 (though year-to-date, the cumulative increase is only 1.8% over 2006).

How to reconcile the conflicting data? Some experts speculate that for all the big talk of Americans downsizing their vehicles, **fleetwide fuel economy** has not improved. Perhaps growing metropolitan congestion, and its mirror-image of higher driving speeds in less-developed areas, are canceling out fuel efficiency gains. Another possible explanation is that the driving data, which is modeled from a sampling of traffic counts taken across the country, is just plain wrong. Mode-shifting to intercity highways from the clogged-up air travel system could also be a factor.

Either way, there's little doubt that American drivers are feeling some pain from higher gas prices, whether or not they have changed behavior. The bigger question is what price levels might significantly and permanently dent driving. Both polls from *USA Today* and the *Washington Post* posed this question to drivers. One-third of respondents to *USA Today* said they would replace their car for a more fuel-efficient one if gas reaches $4 per gallon. But 64 percent wouldn't take transit, and 86 percent wouldn't change homes or jobs, no matter what the price of gas. The *Washington Post* found that gas prices would have to **reach almost $4.50** per gallon to compel respondents to significantly cut back on driving.

Economist Charles Komanoff insists that gasoline usage is **more elastic** than the polling data suggests. Accounting for increases in Gross Domestic Product, Komanoff calculates that every 10 percent increase in gasoline prices translates to a short-term 1.4 percent drop in gasoline consumption — relative to the increase in gasoline use that ordinarily accompanies economic growth. The **long-term price elasticity is likely to be much larger**, as consumers have more time to adjust to higher prices by trading in gas-guzzlers and moving closer to work. ❖

TRI-STATE TRANSPORTATION CAMPAIGN

*Mobilizing the Region*

## CALENDAR

**June 7,** 5:30-8pm. New Jersey Future Smart Growth Awards 2007. The Newark Club, One Newark Center, 22nd Floor, Newark. www.njfuture.org.

**June 13,** 9am. NJ Transit board meeting. NJ Transit Headquarters, One Penn Plaza East, 9th Floor, Newark. njtboard@njtransit.com.

**June 13**, 6-8pm. Project for Public Spaces celebrates the launch of "The Great Neighborhood Book: A Do-It Yourself Guide to Placemaking," by Jay Walljasper. Christ Church, corner of Clinton Street and Kane Street, Brooklyn. Please rsvp to isla@pps.org

**June 15:** Kosciuszko Bridge Project DEIS comment period deadline. Written statements to Norik Tatevossian, NY State DOT, Hunters Point Plaza, 47-40 21st Street, Queens, NY 11101. Fax to: 718-482-6319; email to kosciuszko@dot.state.ny.us

**June 21,** Noon-2pm. NYC Transit Rider's Council meeting. MTA Headquarters, 347 Madison Avenue, 5th Floor, Manhattan. 212-878-7087.

**June 26,** 5:30-8pm. Westchester County DOT Open House for Central Avenue Bus Rapid Transit Assessment Study. Presentation at 6:30pm. Westchester County Center, 198 Central Avenue, White Plains. 914-813-7761.

**June 27,** 4:30pm. MTA annual hearing on use of federal aid. MTA Headquarters, 347 Madison Avenue, 5th Floor Board Room, Manhattan. See www.mta.info for more info. 212-878-7483.

**July 12,** 12:15-2pm. Long Island Rail Road Commuter's Council meeting. MTA Headquarters, 347 Madison Avenue, 5th Floor, Manhattan. 212-878-7087.

**July 19**, 4:30-6:30pm. Metro-North Railroad Commuter Council. 347 Madison Ave/, 5th Floor, Manhattan. 212-878-7087.

**July 26,** Noon-2pm. NYC Transit Rider's Council meeting. MTA Headquarters, 347 Madison Avenue, 5th Floor, Manhattan. 212-878-7087.

**August 9,** 12:15-2pm. LIRR Commuter's Council meeting. MTA Headquarters, 347 Madison Avenue, 5th Floor, Manhattan. 212-878-7087.

**More calendar items at www.tstc.org**

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